GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1072
ANSWERED ON:24.11.2000
WORLD BANK LOAN
SAHIB SINGH VERMA;SAMUDRALA VENUGOPAL CHARY

Will the Minister of FINANCE be pleased to state:

(a) the total amount of loan India owes to World Bank as on date indicating the interest payable therefrom ;

(b) the time schedule for repayment of those loans including interest ;

(c) the quantum of loans utilised in various projects for eradication of poverty during the last three years, project-wise and the outcome thereof ;

(d) whether any diversion of funds or their mis-utilisation have taken place particularly in the poverty eradication schemes ; and

(e) if so, the details thereof including the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL)

a): Total amount of outstanding principal loan from the World Bank as on 31.10.2000 is US $ 26.150 billion.IDA credits do not involve interest payment. In so far as interest on outstanding IBRD loans is concerned, it is estimated at US $ 330.141 million for the year 2000-01.
b): The IDA credits are repayable over a period of 35 years with a grace period of 10 years (pre 1987 credits were for 50 years including grace period of ten years) and IBRD loans are repayable over a period of 20 years with a grace period of 5 years. The current rate of interest per annum on IBRD loans ranges between 5.11% to 7.18% depending upon the currency mix of loan and year of negotiation.
c): Two IDA credits agreement have been signed on 12.5.2000 and 19.5.2000 for District Poverty Initiatives Projects (Andhra Pradesh: US $ 111 million, Rajasthan : US $ 100.5 million) directly aimed at poverty eradication.The outcome of these projects is yet to be known as these have been effectuated recently.
d): No such instance has come to notice.
e): Does not arise.